

The managed care industry has consistently claimed that a point-of-service feature in all health plans would greatly increase the cost of doing business. This assertion is simply not true. The point-of-service feature is not costly. According to a cost-impact study released this year by the actuarial firm of Milliman and Robertson, Inc., at the request of the Patient Access to Specialty Care Coalition, a point-of-service feature built into all managed care plans would place no financial burden on these plans.

Moreover, in testimony before the Congress this year, the Congressional Budget Office stated that requiring a point-of-service feature would not add to the Federal Government's cost of the Medicare Program. Instead, the cost is covered by patients, who expect to bear some additional expense for this point-of-service feature. This cost, however, is not great, and it is a simple actuarial calculation to determine a reasonable copayment. My legislation calls for the managed care plan to share with its potential enrollees the cost schedule for going out of network.

My legislation contains additional provisions to ensure that patients receive the full range of health care services to which they are entitled. It assures access to specialty care, and provides Medicare patients with an enrollee information checklist so they can have adequate and important information to compare the quality of all health care plans offered to seniors. Also, it includes several Medicare patient rights provisions, and a streamlined rapid appeals process within a health care plan, when there has been a denial of care. Finally, my bill places a ban on provider financial incentive schemes which result in the withholding of care or a denial of a referral.

My legislation does not include any provider protection and is not an any-willing-provider bill. Any-willing-provider provisions deal with the contractual relationships between health plans and providers of medical services. The focus of my bill is on patient choice and the health care rights of Medicare enrollees.

Mr. Speaker, H.R. 2350, the Patient Choice and Access Act of 1995, offers Medicare enrollees real choice and real patient protection. It will give the Medicare patient effective protection against the potential for restricting access to medically necessary health care services. Finally, it will provide a quality assurance check on all health care plans to make sure that they are providing the full range of health care services to their enrollees.

I urge my colleagues in the Congress to cosponsor this bill, and to join with me in my efforts to include these provisions in a Medicare reform proposal. Only if this patient component is included in Medicare reform legislation can we be able to say that we have worked to achieve quality health care and Medicare enrollees protection, and preserved patient freedom of choice in selecting health care providers.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 5 minutes.

[Mr. HOEKSTRA addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

woman from Georgia [Ms. MCKINNEY] is recognized for 5 minutes.

[Ms. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

[Mr. GIBBONS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SUPPORT REPEAL OF THE DAVIS-BACON ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BALLENGER] is recognized for 5 minutes.

Mr. BALLENGER. Mr. Speaker, Congress is under increasing pressure to balance the budget. The taxpayers are demanding that Government be more efficient and held accountable for the expenditure of their hard-earned tax dollars. The Davis-Bacon Act is the perfect example of a law that is expensive, unnecessary, and difficult to administer. The act must be considered in light of its economic effects as well as its objectives.

The Davis-Bacon Act has long since outlived any usefulness it may have had. The rationale for special wage protection was never very persuasive but the act remains law, adding millions and millions of dollars to Federal construction costs.

Davis-Bacon was enacted to discourage non-local contractors from securing Federal construction jobs by hiring cheap labor from outside of the project area. Proponents of the legislation complained that this practice was disruptive to the local wage structure. When the act was passed 64 years ago, there was no Federal minimum wage or other labor laws with protections for workers. Since that time, Congress has enacted numerous laws to protect the wages and working conditions of all workers, including construction workers.

The taxpayers are the real losers under the Davis-Bacon Act. Some \$48 billion of construction spending annually falls under the Act's coverage. In effect, Davis-Bacon is a tax on construction. For example in Baltimore, the Davis-Bacon requirements add between 5 and 10 percent to the costs of inner city housing. Davis-Bacon effectively wipes out much of the good that banks do when they provide lower interest rate loans to such projects.

Clearly, Davis-Bacon drives up construction costs. Electricians in Philadelphia who are working on a Davis-Bacon project are paid about \$37 an hour compared with electricians on a private contract who are paid an average of \$15.76 an hour. Companies can not stay in business paying \$15 to an employee who is worth \$6. If companies

have to pay \$15 per hour, they are going to hire skilled workers, thus effectively shutting out those who need the opportunity to acquire job skills and work experience.

The total cost of Davis-Bacon extends to State and local government construction programs, this having the same practical implications as an unfunded mandate. Davis-Bacon is particularly burdensome in the area of school construction, by restricting the ability of school districts to reduce construction costs. For example, the cost to build two schools and an academic center in Preston County, WV, could have been reduced by one-third or \$1.9 million dollars, had the projects been exempt from Davis-Bacon. The savings could have been realized for the taxpayers or used in other ways through the educational system.

There are additional costs to Federal agencies, which must collect, process, and disseminate thousands of wage rates. Likewise, there are direct costs to contractors who must comply with the recordkeeping and paperwork requirements under the Copeland Act. Compliance costs to the industry total nearly \$100 million per year, money which could be better spent creating additional jobs.

Recently, an investigative report was released which detailed fraud in the survey process used by the Department of Labor to determine prevailing wages in certain areas in Oklahoma. The report uncovered numerous instances of interested parties claiming phantom projects and ghost employees, all with the intent of inflating the official wage rates issued by the Department of Labor. In some cases, employees were allegedly paid \$5 to \$10 an hour more than actual market wages in the area. After repeated demands by local authorities and the involvement of members of the Economic and Educational Opportunities Committee, the Department of Labor revoked the wage determinations in Oklahoma City and Tulsa because of the allegations of fraudulent data. Scandals of this nature erode public confidence in the Government procurement process.

Repeal of the Davis-Bacon Act would have the taxpayers \$2.7 billion over 5 years. It would allow the Federal Government to get more construction for the money, or to get the planned construction done for less money. Over 4,000 petitions were sent to Congress from taxpayers across the country supporting repeal of the Davis-Bacon Act. Last November, the voters sent a message to Washington. They want to end Government that is too big, costly, and intrusive. I urge my colleagues to support repeal of the Davis-Bacon Act.

□ 1730

REMOVAL OF NAME OF MEMBER AS A COSPONSOR OF H.R. 2072

Mr. FOX of Pennsylvania. Mr. Speaker, I ask unanimous consent to remove my name as cosponsor of H.R. 2072.

The SPEAKER pro tempore (Mr. BUNN of Oregon). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CERTAIN POLITICAL METHODS DESTRUCTIVE TO CONGRESS

(Mr. JOHNSON of South Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of South Dakota. Mr. Speaker, recently it became publicly known about an e-mail directive from the leadership of the Republican Party that sheds light on the political methods being used as we work on our agricultural portion of reconciliation. It lays bare political methods which, frankly, are destructive to this institution, destructive far beyond simply the agricultural issues which it directly addresses. It is the leadership saying, "You've got to pass our version of agricultural reconciliation, one that involves three times the cuts that are needed to reach a zero deficit, and if you don't, individual Members will lose committee memberships. The committee chairmanships will be lost. In fact, the entire House Committee on Agriculture could be abolished."

This is the sort of heavy-handed leadership that does not serve this institution well. We have difficult decisions to be made, but if we pull together in a bipartisan fashion, using the strengths of House Committee on Agriculture, I am confident that through the course of the debate this year we can in fact arrive at a point where we are helpful to family farms, helpful to the budget deficit, and it is done in a fair and open manner.

THE GINGRICH MEDICAID PLAN WILL PAY FOR TAX CUTS FOR THE WEALTHY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, late last week the Committee on Commerce passed the Gingrich Medicaid plan. There were no hearings on this bill similar to the restricted small number of hearings, one hearing in fact, on Medicare. There were no hearings on the Gingrich Medicaid plan. The plan was given to us, the actual legislative language, was given to us less than 24 hours before the hearing. There was no public input, because no one anywhere from the country really knew much about the plan, and members of the committee on both sides, Republicans and Democrats, had little opportunity to read the bill and to become familiar with the details of the Gingrich Medicaid plan.

Unfortunately, though, Mr. Speaker, that Gingrich Medicaid plan cuts Medicaid money that goes for nursing homes for the middle class and all of

our parents, many of our parents and grandparents. It is money for children in Health Hill Hospital in Cleveland, many poor kids, many middle-class kids, upper-class kids that have been injured in tragic accidents, with serious brain damage, whose families are saddled with \$20,000 a month hospital bills. That is paid for with Medicaid. It is funding for poor children for prenatal care, for well baby care, for all the kinds of things that are important in our society.

Nonetheless, that \$180 billion cut in the Gingrich Medicaid plan is going to be used to pay for tax cuts for the rich. Equally as unfortunate, this bill and this Gingrich Medicaid plan in the committee on commerce, everything passed by a party line vote. They eliminated quality care standards in nursing homes on a party line vote, coming down from Gingrich's plan that was simply approved on a party line vote. They eliminated breast cancer services, mammograms and other breast cancer services, again on a party line vote. They eliminated prenatal care and well baby care and protection for children, again, those programs on a party line vote, all ratifying what the Gingrich Medicaid plan had written.

There is an old Mark Twain line said many years ago, that when two people think alike all the time, one of them ain't doing much thinking. Unfortunately, that is what this Gingrich Medicaid plan is all about. It was a plan not written by the committee, not written with public input, not having any hearings held for the public to understand it, to learn about it, to talk about it, to persuade Members of Congress that this might be good or that might be bad. It was simply a piece of legislation handed down and voted on quickly.

What is particularly of concern to a lot of us on that committee that oppose this \$180 billion in cuts for Medicaid in order to pay for tax breaks for the wealthiest Americans is that these quality care standards for nursing homes were eliminated; where we can remember 10 years ago, 20 years ago, reading in the paper almost every month some scandal in a nursing home, some number of patients were abused and restrained and medicated, and people that were about as defenseless as anybody in society, people that are typically very old in nursing homes and cannot take care of themselves, and the Federal Government enacted standards to make sure that those kinds of abuse do not take place in nursing homes.

Now we are saying it is OK for the States, it is OK for local governments, it is OK for these nursing homes, to not live up any longer to these Federal standards.

The same with breast cancer services. My part of America, northeast Ohio, has one of the highest breast cancer rates in the country. I am concerned when the Federal Government says, "No longer is Medicaid going to

cover breast cancer services, mammograms." First, that is inhumane, not to cover mammograms. Second, it is just stupid. The Republicans simply have failed Economics 101. If you do not detect breast cancer early, you are going to pay a lot more for a lumpectomy or a mastectomy, and the Government is going to end up paying for it. It is inhumane, and it is just bad economics not to move forward and continue to cover those breast cancer services.

This money will be turned over to the States in the form of block grants, this money, again this shrinking number of dollars, in order to pay for tax breaks for the wealthy. This shrinking number of dollars will be grabbed up by as many interest groups in the States as possible. Nursing homes will have the first round, the first shot, at so many of these dollars as they shrink. And because nursing homes are better organized and better lobbyists and more effective and a stronger interest group on the State level than are groups that might advocate breast cancer services or groups that might advocate on behalf of nursing home patients, that money will likely go to those interest groups that fight for a wealthy group of people rather than people that really do represent those women that have breast cancer, represent those people that are victims of problems and care in nursing homes.

Mr. Speaker, it simply does not make sense to make these cuts all to pay for tax cuts for the wealthy.

WITHDRAWAL OF NAME OF MEMBER AS C ps that fight for a wealthy group of people rather than people

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 497.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mrs. SMITH] is recognized for 5 minutes.

[Mrs. SMITH of Washington addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MCINTOSH] is recognized for 5 minutes.

[Mr. MCINTOSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]